

INSTRUCTIONS FOR THE BAD CHECK ACCOUNTING WORKSHEET

KRS 238.505(12) defines Gross Receipts as all moneys collected or received from the conduct of charitable gaming. The Department has determined that checks received by charitable gaming licensees that are not paid by the check makers' banks are not moneys collected or received and therefore should not be counted as gross receipts. Conversely, when licensees receive the money represented by checks that had been previously not paid, the money then received is Gross Receipts. This **two-page** worksheet is designed to allow licensees to record bad checks and collections on a quarterly basis. These amounts should be recorded in Part 1 lines 6 and 7 on your quarterly reports. **All collections should be deposited into the charitable gaming account separately from charitable gaming session deposits.**

Line	Instruction
1	Record all of the information in this section.
2	This page is for recording bad checks received by your organization at its charitable gaming sessions.
3	On each line in this section record the information shown in the column headings for individual bad checks your organization received.
4	Total the amount of bad checks received during the quarter.
5	Record on this line the total amount collected on bad checks during the quarter (line 12 of the Bad Check Accounting Worksheet).
6	Record on this line the total amount of bad checks received during the quarter (line 4 of the Bad Check Accounting Worksheet).
7	This is the amount of the bad check adjustment to Gross Receipts.
8	This area of the worksheet establishes accountability for the information. The same persons as identified at the top of the worksheet should sign it in this area. The date should be the date the worksheet is completed, the last day of the quarter.
9	Record all of the information in this section. The person(s) completing this page of the worksheet does not necessarily have to be the same as the person(s) completing the bad check received page of the worksheet.
10	This page is for recording collections on bad checks.
11	On each line in this section record the information shown in the column headings for each individual bad check for which your organization collected funds.
12	Total all bad check collections in the quarter.
13	This area of the worksheet establishes accountability for the information. The same persons as identified at the top of the worksheet should sign it in this area. The date should be the date the worksheet is completed, sometime between the last day of the quarter and the date the Quarterly Report is mailed.